

Remarks at a Democratic National Committee Dinner in Portola Valley,
California
May 1, 1998

Thank you very much. You know, I always marvel at Walter's energy and fidelity to our cause, and I thank him again tonight. I'm very honored to be here. The last time I was in a tent in this yard was when we had a dinner for the 50th anniversary of the United Nations, I think—when I came to San Francisco and we had the wonderful event there. And I must say I'm delighted to be back.

I thank Senator Feinstein and Dick for coming tonight, and Representative Eshoo. Mayor Hammer, thank you for coming. Art Torres, our State Democratic Chair, thank you for coming. Len Barrack, thanks for all the work you've done. This man came all the way from Philadelphia. You remember what W.C. Fields said about that. *[Laughter]* He's a good person, and he works hard, and I'm grateful to him.

I'd like to thank the vice chairs of the dinner, Ken Karas, Ernest Gallo, Chong Moon Lee, and Maura Morey. I'd like to thank Senator John Burton for coming. And I'd like to thank my old friend Clarence Clemmons, who gave me a couple of mouthpieces, but I can't make them sound the way he did tonight. And I'd like to thank our young musicians over here, this young saxophone player and his compadres. They've got quite a future as well. I thank them. They did a great job.

And finally, I'd like to thank my former Defense Secretary, and I think the best Defense Secretary since World War II, Bill Perry and his wife, Lee, for being here. Just for a pure rush for me, an old-fashioned American boy who grew up in the fifties and the sixties, I want to thank Willie Mays for coming tonight and making my night. Thank you very much. Thank you.

You know, I feel so indebted to California because the people of this State have been so very good to me and to Hillary and to the Vice President. And of course, now we have the most important person in our lives out here, Hillary and I do, going to school—and it is a long way from Washington. You know, it's hard for the President to do anything without attracting any notice. I can hardly just wake up one morning and decide, I think I'll go have dinner with

Chelsea—just get on Air Force One and fly to California. No one will know. *[Laughter]* So it's very frustrating. But still, I'm happy she's here, and I'm happy she's especially in this part of this wonderful State.

I have seen the people of California go through a lot since I first began coming here as a candidate in 1991. I think—when we were at dinner Walter said, “Well, I want you to know times have never been better for us here than they are now.” And I hope that's true. I'm grateful that the unemployment rate has dropped 40 percent in California in 5 years; that we have the lowest unemployment rate in 28 years and the lowest inflation in 30 years and the lowest welfare rolls in 27 years, the lowest crime rates in 24 years. I'm very grateful about all that. And insofar as our policies played a role in that, I am grateful.

But what I think is helpful is to look at why all these companies around here do so well and try to see to what extent they could be a metaphor for how our country would work if it were working at its maximum capacity. I visited, with Congresswoman Zoe Lofgren and Mayor Hammer today, a wonderful manufacturing facility in San Jose that was started by a man and his wife 31 years ago with one employee, and they have 1,600 now. And they have a great kind of labor-management agreement, a great continuing education program, a great decentralized, creative manufacturing system where the workers feel empowered, and no one ever quits who gets a job there.

And I thought to myself, I wish Washington worked this way. *[Laughter]* But in a larger sense, I wish all of America had a chance to be part of something that worked this well. I wish every child's school worked that well. Some of you here have been active in the charter school movements that you know I care a great deal about. When I became President I think there were—well, there were just a handful of charter schools; now there are hundreds. And I know you're working to establish another 100 a year out here in California, and I heartily endorse that because I think it's very, very important.

We have got to guarantee and demonstrate that public institutions can provide genuine excellence in elementary and secondary education. Everybody knows we have the best system of higher education in the world; no one thinks we have the best system of elementary and secondary education in the world. The more diverse our student bodies become, the more diverse our society is, the more important it will be to build excellence in education.

The point I'm making is, this company that I visited today, they're doing real well; they're doing better than they've ever done; and they don't spend much time thinking about it. They're thinking about what they're going to do tomorrow and how they can do more to develop the capacity of the people who work for the company, and how they can really fulfill the dreams of the people—literally, the dreams of the people that work for the company.

And that's what I think we ought to do in America. I do not believe this is a moment for complacency. Sometimes when countries are doing well they sort of sit back and relax and wait for something bad to happen, or act like nothing bad will ever happen, or ignore the clear challenges before them. And if you don't remember anything else I said tonight, I hope you will remember that I believe that America ought to respond to the dynamic times in which we live with gratitude for the prosperity we have, but using it as a springboard to deal with the challenges yet unmet that are right before us and the long-term challenges of the country.

And I tried to keep everyone busy in Washington on positive things that would give us a chance to work together and push forward as a nation. I'll just mention a few.

We've got a budget to pass this year. If we do it right we'll have the first surplus we've had in over 30 years—a really substantial surplus—and we'll have another one next year and the year after that. Some people want to spend it. I think it's a terrible mistake. Some people want to give it away, give it back to you in tax cuts. I think that's a mistake, too—until we know we've got a balanced budget, it's going to stay balanced over the long run, and we figure out what we're going to do to deal with Social Security when all the baby boomers get into it. We're going to have to make some substantial changes in Social Security if we're going to preserve it.

And you know, a lot of young people wish the whole thing—we could just forget about it and give them back their money. But it's important to remember that not every 5-year period in America has seen the stock market go from 3,200 to 9,000. *[Laughter]* As a matter of fact, I don't think there ever has been a period where that happened.

It's important to remember that Social Security is a life insurance program and a disability program, as well as a retirement income program. And it's important to remember, as we sit here in Walter's palatial and gorgeous place, that almost half of the senior citizens in America today would be living in poverty if it weren't for their Social Security income, even though almost all of them have some other income to go along with Social Security.

But the system will go broke the way it's going because when all us baby boomers get on it there will be two people working for every one person drawing. I mean, it's not rocket science, and we're going to have to make some changes. There may be some ways to increase the rate of return. There may be some ways to give people more individual control. There may be a lot of things that have to be done—we're raising the retirement age already under existing law. But we have to do it in a way that protects everybody. And the worst thing we could do is go off squandering this budget surplus that we worked for 5 years to try to clean our country's financial system up, get interest rates down, get investments up, get the economy going, until we've taken care of this huge long-term challenge for America. So to me that's the first thing I want to say. I hope that gets done this year. And I believe it will.

I hope the Congress will adopt comprehensive tobacco legislation to protect children from the dangers of tobacco—this year. I'm a little concerned about the rhetoric of the last couple of weeks because we've gotten this sort of contentious political rhetoric coming out of the Nation's Capital. But you should know that a committee of the United States Senate voted 19 to 1 for a bill that I believe will actually succeed in dramatically reducing the access of children to tobacco and the incidence of children learning to smoke.

Now, again, this should not be partisan issue. I know this is a Democratic Party event and I'm glad our administration has led the way on

this and I'm glad we were the first administration that ever took on this issue. But I don't necessarily care about the credit for this. This is about kids' lives. Three thousand children start smoking every day; 1,000 will die sooner because of it. It is the most significant public health problem in the United States today, and we know what to do about it.

Now, are there complexities. Are there genuine disagreements if we raise the price of cigarettes and give the States back their share because they participate in a Medicaid program which deals with some of these medical costs? Do I disagree with some of the leaders of Congress about how the money ought to be spent? Yes, yes, yes. It doesn't amount to anything compared to the main issue. The main issue is, can we adopt a plan which will dramatically reduce the rate at which children begin to smoke and become addicted and die sooner?

And the answer to that question is, yes, we can, if we make up our minds to do it. And it is not all that complicated. There are lots of complicated issues around the fringes, but every one of you has got some problem in your life like this where, you know, you think about some problem in your life, your work, whatever—it's just so complicated it gives you a headache, but you know down deep inside the essentials are very clear and the real question is whether you're going to take a deep breath and go on and do what you ought to do. Now, that's what's facing Congress now. And I hope very much that we will do that.

Let me just mention one or two other things. Last night, the United States Senate, by a vote of 80 to 19, voted to let Poland, Hungary, and the Czech Republic join NATO. That comes after—4 years after I first proposed it, but also after we've got over two dozen other countries involved in a partnership with NATO called the Partnership For Peace. Almost all of them are helping us in Bosnia. Our enemy used to be Russia. We've signed—NATO signed a special agreement with Russia and they work shoulder-to-shoulder with American troops in Bosnia. We stopped the bloodiest war in Europe since World War II.

But now, I say that to make the following point. Some of us in this room are old enough to remember that we have fought two World Wars, as well as a cold war, in a Europe that was divided. When the Berlin Wall came down and communism began to be rejected every-

where, it's easy again to assume that everything is going to be all right and we don't have to think about it. Bill Perry did a lot of work to help me think about what the security framework of the 21st century should be about—just as I want a trade framework for the 21st century, so that the world—or at least responsible free peoples in the world are growing together militarily and economically.

We've got an unbelievable situation in Washington where we won't pay our contribution to the International Monetary Fund, which helps to stabilize, in this case at this moment in time, the Asian economies which are very important to us. Thirty percent of our growth in the last 5 years came from exports. Thirty percent of our exports go to Asia—more from California—but in the country as a whole, go to Asia.

The IMF doesn't just go throw this money away. If you've been reading you know that the people that get it often complain about it, because it comes with conditions necessary to rigorously strengthen the economy so that it can grow over the long run. I don't see how we can expect to be treated as and to continue to be the leading economy in the world if we won't even pay our fair share to the International Monetary Fund because we're having a totally unrelated political difference in Washington about how family planning should be handled.

The same thing is true of the United Nations dues. The United Nations is good for the United States. First of all, it's headquartered in the United States. Secondly, they do a lot of things. They have people that go all over the world doing things that, frankly, we'd be under a lot of pressure to do ourselves if someone else weren't willing to take up the slack.

One of you said something to me tonight about thanking me for my role in the Irish peace process. Every single day for the last 40 years—every single day for the last 40 years—an Irish citizen has been somewhere on patrol for peace on behalf of the United Nations, 7 days a week, 365 days a year, for 40 years—the only country in the world that can say that. They're pretty good partners for us.

And again, the idea that we won't pay our U.N. dues because we're having a fight over family planning—but we want to be the leading country in the world, we want everybody to follow us—but, by the way, would you pay our way while we get over here and fight like kids

in a play yard about other things and say, "Well, if you won't give me what I want, I won't pay my U.N. dues." You know, sooner or later, the rest of the world will get tired of that.

So again I say, what we need—it's inconceivable to me that that sort of dispute could arise in the business that I visited today. They would find a more wholesome way to resolve their differences. And they wouldn't let their differences over one thing paralyze them over another. So that's what we need to do in Washington.

And we also have an education agenda, an environmental agenda to deal with climate change—which I hope you're all supporting after what you just went through with El Nino out here—[laughter]—you wouldn't like to have that on a permanent basis—a health care agenda and a child care agenda in the near term. Over the long run, I ask you to think about this. We have to reform our fundamental systems if you want America to continue to grow in the 21st century and then grow together.

We have to, number one, reform both Social Security and Medicare so that they work in the way they should when the baby boomers retire and they don't bankrupt the country. Number two, we have to close the opportunity gap in inner cities and isolated rural areas where the spark of free enterprise has not yet come. Number three, we have to build a world-class system of education for our children and of skills training and lifetime learning for adults in America.

And finally, we have to come together as one country. We have to learn how to celebrate our differences and deal with them. You know, you've got—and it's a complicated thing. It's easy for everybody to say, I want us to be one America; I want us to all get along; I want us to work together. But there are specific, practical, complicated problems. I'll give you just one example.

You've got an issue on the ballot out here in California relating to bilingual education. And most people think of it as Spanish and English. But if you go to any significant California school district you'll see people from 30 or 40 different racial or ethnic groups. The Fairfax County school district across the river from my office in the White House has young people there from over 175 different racial and ethnic groups, with over 100 native languages in one school district.

Now, I've been very concerned about how these children were getting language instruction and whether they were learning English quickly enough. And frankly, there are some significant shortcomings in our bilingual education program. So I think the people that are concerned about this and put this matter on the ballot, they deserve some acknowledgement that the system we have is not working well for all children.

My problem is, I think if this initiative passes it will make it worse, not better. Because it's one thing to say, well, you're in bilingual education, you can have some instruction in your own language for a year and then you're out; it's fine to say that. But we're talking about 100 different languages now, and children at different stages of their own development. And the transition into English from some languages takes longer than others and for some people takes longer than others.

And even more important—and this is where I think people have a legitimate gripe—of all the kids that need this help today, between 15 and 20 percent of them don't get any help at all. I guess they're in the position that this amendment would put a lot of people in. But they're not getting any help at all, and they're suffering in school because of it. There are a lot of others who—basically the rest of them are divided into two different kinds of programs, and the real problem is there are so many children now whose first language is not English that there are insufficient numbers of trained teachers to deal with it.

Now, I'm going into this in some detail because it's an important issue for California. The parents who don't want their kids held back and given second-class education by being kept in bilingual education programs for 5 and 6 years, they deserve a pat on the back. But the answer is not to say, we'll go to one year and you're out without knowing, number one, what's going to be in that year; number two, can you provide the teachers that need to be provided; number three, is it literally, intellectually possible for every child of every age, no matter what age they are when they come in this country and what their language is, to get that training?

So that's why you have local school boards and local school districts and cities, governments, and all that to try to deal with this. What we're going to try to do at the national

level is to develop a program with a presumption that no one should be in these programs for more than 3 years; but that we have to do more to make them mean something.

I hope that all of you in California, particularly here, will debate this, because we need to do right by these kids. And doing right means giving them what they need, but not keeping them trapped in some sort of intellectual purgatory where they'll get bored and drop out of school and won't go forward. So I'm very sympathetic with the impulse that put this initiative on the ballot, but I think it's the wrong answer.

But the main thing is—I'm just another person. I mean, I realize I have a position but—[laughter]—but you all have a vote here, and you should see this as an opportunity to debate the face and future of California. And you should see this as an opportunity to examine what your mutual responsibilities are to all these kids that are going to be doing the work for all the rest of us 10 or 20 or 30 years from now. And I think if we do it, then we'll figure out how to deal with this—and I'll try to do my part.

The last thing I'd like to say is this. There are a lot of issues that directly affect Silicon Valley that are going to be debated in Congress. Congresswoman Eshoo has got her uniform laws bill, and we've got a skilled worker visa bill and a lot of other things. And I think that you've got a chance to get most of the things that most people up here want worked out in a fairly satisfactory way before the Congress goes home. I think that's pretty good, and I think Anna's bill will pass. [Applause] Yes, you can clap for that.

But in all of our newness—this is the last point I will leave you with—everything new should really open up to all of us the basic fundamentals in life that don't change, both about our individual lives and about our country. I've spent a lot of time since I've been President—late at night, normally—reading about periods in American history about which not much is known. And also trying to really master the critical turning points in our history.

And I have come to the following conclusion. You can go all the way back to the framers of the Declaration of Independence and all the way forward to the present day and you will find that every—every age has presented chal-

lenges which have required us to make the same three decisions in new and different terms, to throw off the dead hand of history and change so that we can make the same three decisions in new and different times. We have had to repeatedly reaffirm our allegiance to liberty and to deepen the meaning of it. I mean, liberty when we became a country was something for white male property owners—a minority in America today, white male property owners. We have deepened the meaning of liberty.

The second thing we've done is to repeatedly have to widen the circle of opportunity. This economy works today on ideas and on the thinking skills of people. And that factory I visited today was being driven to higher and higher levels of achievement because everybody's mind was valued.

And the third thing we have to do is to reaffirm our devotion to the unity of our nation and our communities. You know, I get so tired of the harsh political rhetoric that too often dominates the national landscape because it is unrelated to a specific issue designed to unify the American people so we can all go forward together. If it is true that the best companies in this community do well because people work together, if it is true that we only win wars and overcome depressions and deal with other challenges that are negative because we can work together, it is clearly true that we can only absorb all the changes going on in the world today if we form a more perfect Union.

This is a better country and a different country and a deeper country than it was at the beginning, and it will be well into the 21st century if people like you still care enough to do those same three things in each new time.

Thank you, and God bless you.

NOTE: The President spoke at 10:20 p.m. at a private residence. In his remarks, he referred to dinner host Walter Shorenstein; Richard Blum, husband of Senator Dianne Feinstein; Mayor Susan Hammer of San Jose, CA; Leonard Barrack, national finance chair, Democratic National Committee; California State Senator John Burton; saxophonist Clarence Clemmons; and baseball legend Willie Mays.